

# CHILDREN'S FUNDING PROJECT

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**From:** The Children's Funding Project  
**To:** Kentucky Governor's Office of Early Childhood  
c/o: Compass Evaluation and Research, Inc.  
**Re:** Enhancing Kentucky's State-Level Coordination of Early  
Childhood Programs and Funding Streams for a Whole Child  
and Family Approach to Well-Being

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From prenatal to kindergarten, the health and learning experiences of young children at home and in out-of-home care set the foundation not only for success in school but success in life. In this early childhood period, the domains of child development – cognitive, social, emotional, and physical – are interconnected. Thus, Kentucky wants to ensure that it is addressing coordination not only within the early care and learning programs but across programs and policies that support all of the domains and that support families.

Kentucky already has a solid foundation of coordination to support young children and their families. Here are just a few examples:

## *Administrative*

- State Early Childhood Advisory Council brings together health, early intervention, early care and learning, among others.
- Kentucky All STARS cross-sector participation that provides a unified set of standards of quality.
- Kentucky Head Start Collaboration Office in the Governor's Office of Early Childhood to enhance collaboration through governance.

## *Data – KYSTATS*

- Kentucky Early Childhood Profiles to better understand the needs of children and how they are being met.
- Child Unique Identifier that will help demonstrate how families are using a variety of services and funding streams.

## *Funding*

- The purpose of Head Start full utilization is to avoid duplication of preschool services and supplanting of federal funds and to maximize the use of Head Start funds to serve as many four-year-old children as possible.
- Voluntary Head Start, State prekindergarten and child care blended funding to be able to extend the day and leverage funding streams.
- Medicaid support of HANDS home visiting to reach pregnant women and young children to support positive parenting early.

## Hallmarks and Goals of Coordination

Coordination is a means not an end. The goal of healthy, learning, and safe young children relies on policies that align and connect, rather than pose barriers. Some of the limits of coordination may have important rationales. For example, a different eligibility for Head Start than for child care ensures that the most vulnerable children have a more comprehensive program that has robust family engagement and support embedded in its standards and operations. Overlap may be necessary to ensure that children who have a prekindergarten program based on a school-year schedule also have child care assistance to meet the needs of their working parents.

The hallmarks of a coordinated system is alignment of quality standards across settings and sectors, flexibility in meeting the needs of diverse children and families without diminishing access or quality of the individual programs and funding streams, equitable access to high quality services that undergird positive cognitive, physical, social and emotional development for children and parents, shared accountability for positive outcomes, and the administrative tools and resources that allow all partners in the coordination to work collaboratively and meet their monitoring and evaluation needs of their respective programs and policies.

Coordination in standards, administration, data collection and analysis, and funding should lead to the following outcomes:

- Improve opportunities for children's physical and mental health, social and emotional development, cognitive development, and family and community development in a systems development framework with federal and state funding.
- Provide access to affordable, high-quality services that meet the needs of families and children, including cultural and linguistic diversity, parental work during nontraditional hours, and geography.
- Support early care and education professionals with the financial and professional development resources to meet and sustain high quality standards from birth to kindergarten regardless of the setting of the program or service.
- Enhance the tools for System Administrators to work across state agencies and funding streams in ways that maintain affordable access and quality while creating efficiencies and shared knowledge, such as data systems, joint professional development, and ease of navigation of eligible services for families and providers.

## Key Questions in Developing and Enhancing Coordination

Coordination takes time to implement. Also, it will take time for many of the coordination efforts to have a measurable impact. That said, in determining how to coordinate among state administrative bodies and federal and state funding streams, it is useful to ask the following questions:

- What purpose does the coordination serve that is not being met now?
- Are there federal or state statutory, regulatory or other legal barriers? For example, the federal statute requires the funds to flow to the state Department of Education; a funding stream may be a payer of first or last resort.

- What are additional costs from coordination start up and sustainability (e.g., new or modified technology platforms, outreach and intake forms, program staffing)?
- How will stakeholders be engaged in design and implementation to ensure an inclusive consideration of the impact of coordination at the 1) state administrative level 2) local administrative level and 3) recipients?
- Does coordination to improve quality or access require new resources and what is the makeup of those resources?
- Does the coordination lead to unintended consequences, such as lowering the profile of a program in an agency/state government; require more agency staff to attend more meetings without increase in personnel?

## Potential Areas for Additional Coordination

### *Supporting Socio-Emotional Development*

#### **Recommendation – Use a portion of Title IV-E to expand home visiting**

The Families First Prevention Act of 2018 takes effect in October 2019. Under this new law, states can use Title IV-E funds for families and their children without separating them. The prevention focus has three areas for the use of Title IV-E: 1) parenting; 2) substance abuse treatment; and 3) mental health intervention. States must use evidence-based models. In the home visiting area, the approved models are Parents as Teachers, Nurse-Family Partnerships and Healthy Families America.

Kentucky uses Medicaid for its HANDS home visiting program. That program, however, is focused on pregnant women and babies up to 90 days old. With Title IV-E funds, Kentucky can supplement HANDS and extend home visiting to other families with young children in the infant and toddler years and to more moderate income families who also would benefit from home visiting.

### *Supporting Awareness and Outreach to Eligible Families*

#### **Recommendation – Expand the links/resources on Benefind to include a larger range of programs for families with young children such as Early Head Start and Head Start, HANDS home visiting, CHIP, WIC and other programs.**

At different points in their children's lives, families may need more than one supportive program or service to ensure their children's and their own cognitive, physical, and social and emotional development and stability. Families may become aware of their eligibility for programs and benefits through different "doors" to services, such as applying for TANF or SNAP, enrolling in Head Start, or through a home visiting program. Kentucky's Benefind website lists SNAP, TANF, Medicaid, and Child Care.

### *Aligning Standards and Monitoring of Health, Safety and Quality*

#### **Recommendation #1: TANF Transfer to CCDF to Improve Access to Quality Child Care**

The Temporary Assistance for Needy Families (TANF) initiative is a classic block grant in that it can be used for multiple purposes. States can use TANF funds for direct child care assistance and they may use up to 30 percent towards the Child Care and Development Fund (CCDF). When transferred, the funds become CCDF funds, meaning the same rules and uses apply to the funds as CCDF dollars. This creates more child care assistance that falls under the CCDF health, safety and quality rules and expands the amount of dollars in the quality set-aside. Kentucky would be able to target more funds to underserved and hard to reach families, such as those with non-traditional work hours and homeless families and

enhance professional development for providers in working with children with disabilities, increasing the number of bilingual providers with an early childhood education credential or degree, and helping more providers reach and sustain higher levels of Kentucky All STARS.

Currently, Kentucky spends a portion of its TANF grant directly on child care but it does not transfer any TANF dollars to the Child Care and Development Fund. It has reduced its TANF spending on child care from a high of 31 percent to 14 percent. Several states are using the transfer option. For example,<sup>1</sup>:

- Alabama and North Carolina transfer a little more than 10% of its federal and state TANF funds to CCDF.
- Mississippi transfers nearly 18% of its federal and state TANF funds to CCDF.
- Oklahoma and Utah transfer a little more than 13% of its federal and state TANF funds to CCDF.

### ***Recommendation #2: Provide Joint Training and Evaluation of All STARS Assessors***

With the new policy that all early childhood providers receiving public funds must participate in All STARS, there is a need to ensure consistency in how programs are rated and supported across all sectors. This consistency is not only important for children; it is also important for the system to be viewed as fair, transparent, and accountable by all providers. Kentucky should explore braiding professional development funds from multiple sources, such as funds from the CCDF quality set aside, PDG grant funds, Tobacco MSA dollars, and state prekindergarten funds to cross-train and ensure consistent assessment in the All STARS system.

### **Evaluating Coordination**

The impacts of coordination should be evaluated periodically to determine if the coordination is making a difference for children and families and at the agency and system infrastructure levels. Many impacts may be hard to attribute to coordination. For example, there may be increased funding or new flexibility for the use of a funding stream to expand the number of children who receive a developmental screening and referrals to health and mental health services. Likewise, there could be reductions in funding that lead to waiting lists for child care assistance or difficulties in raising reimbursement rates to meet the costs of quality. These impacts may be forecasted as a part of the planning steps of coordination.

Some questions that the state may consider in evaluating the impact of its coordination are:

- What changes - legislative, regulatory, administrative, funding -- have been made to enable greater coordination?
- Has outreach to and awareness among families improved and identify those changes with attention to race, ethnicity, geography, income, and families with children with special needs?
- Has funding been, at minimum, sustained to maintain access and quality across the different areas supporting cognitive, social, emotional and physical development?

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<sup>1</sup> See the state profiles accompany the report by the Bipartisan Policy Center, *Creating an Integrated, Efficient Early Care and Education System to Support Children & Families: A State-by-State Analysis* (December 2018) at <https://bipartisanpolicy.org/report/ece-administration-state-by-state/>

### Future Considerations for a Birth through Age 8/Third Grade Continuum

The goal of ‘all children are ready for success in school’ needs to be sustained throughout the school years. Kentucky is considering the policies and coordination that provides a continuum of positive cognitive, physical, social and emotional development through the entire early childhood span of birth through age eight. For this effort, Kentucky should consider the following areas of coordination:

#### *Teacher Quality*

Kentucky, as in many states, has teachers certifications that treat early childhood as birth to kindergarten instead of a birth-through-third grade span with a separate Interdisciplinary Early Childhood Education (Birth to Primary) certificate and an Elementary School (Primary through Grade 5 certificate). To ensure that professional preparation programs are giving teachers the knowledge and skills of the development of children to select use appropriate curricula, assessments and teaching practices, Kentucky could consider a change in its certification. Pennsylvania changed its teacher certification from N-3, K-6 and 7-12 to preK – 4, 4-8 and 7-12. While there was pushback from principals on less flexibility to move teachers among grades, the new certification represents the development science of children and what teachers should know to promote student learning and achievement.

#### *Ready Schools*

It is not enough for children to be ready for the expectations of school. Schools must also be ready to support each child and family. Many school leaders and staff do not have the professional preparation and training to have a clear understanding of what it means to be a “ready school”. Kentucky could consider funding elementary schools (using Title I of the Every Student Succeeds Act) to use an assessment such as the High/Scope Ready Schools Assessment. This assessment is a questionnaire and a rating scale on eight dimensions of readiness: Leaders and Leadership: Transitions, Teacher Supports; Engaging Environments: Effective Curricula Family, School and Community Partnerships, Respecting Diversity; and Assessing Progress.